

Beauregard Community Concerns, Inc.
DeRidder, Louisiana

FINANCIAL STATEMENTS
June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/2/11

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

I have audited the accompanying statement of financial position of Beauregard Community Concerns, Inc. (a nonprofit organization) as of June 30, 2010 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beauregard Community Concerns, Inc. as of June 30, 2010, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated, October 1, 2010, on my consideration of Beauregard Community Concerns, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.



DeRidder, Louisiana
October 1, 2010

Statement of Financial Position
June 30, 2010

ASSETS

Current Assets

Cash and cash equivalents	\$	174,980
Grant receivable		44,490
Prepaid insurance		8,287
Total current assets	\$	<u>227,757</u>

Noncurrent Assets

Capital assets, net	\$	<u>137,036</u>
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Total assets	\$	<u><u>364,793</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	7,317
Payroll taxes payable		1,576
Total current liabilities	\$	<u>8,893</u>

Net Assets:

Unrestricted	\$	<u>355,900</u>
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Total liabilities and net assets	\$	<u><u>364,793</u></u>
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The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2010

SUPPORT AND REVENUESUPPORT

Grants

Government:

OCS - State	\$ 121,624
OCS - TANF	90,832
VAWA	23,568
ESGP	40,965
LCADV	8,192
Total government grants	<u>\$ 285,181</u>

Private:

United Way	\$ 130,000
IOLTA	17,895
Children's Miracle Network	2,000
SWLA Law Center	900
Total private grants	<u>\$ 150,795</u>

Total grants	<u>\$ 435,976</u>
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Cash contributions:

Individuals	\$ 2,718
Business	1,839
Total cash contributions	<u>\$ 4,557</u>

Contributed materials and services:

Individuals	\$ 53,181
Business	7,676
Total contributed materials and services	<u>\$ 60,857</u>

Total contributions	<u>\$ 65,414</u>
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Fundraising	<u>\$ 14,442</u>
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Total Support	<u>\$ 515,832</u>
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(Continued)

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2010

REVENUE

Interest Income	\$ 670
Miscellaneous	705
Total revenue	<u>\$ 1,375</u>
 Total support and revenue	 <u>\$ 517,207</u>

EXPENSES

Program services:	
June M. Jenkins Women's Shelter	<u>\$ 471,640</u>
 Excess (deficiency) of support and revenue over expenses	 \$ 45,567
 Net assets, beginning of year	 <u>310,333</u>
 Net assets, end of year	 <u>\$ 355,900</u>
	(Concluded)

The accompanying notes are an integral part of this statement.

Statement of Functional Expenses
For the Year Ended June 30, 2010

	Program Services
Salaries and related benefits	\$ 229,757
Payroll taxes	17,424
Health and dental insurance	50,681
Total salaries and related expenses	<u>\$ 297,862</u>
Supplies	\$ 19,743
Telephone	11,222
Professional services	6,657
Client assistance	12,545
Membership dues and subscriptions	2,936
Travel and conferences	1,210
Postage	1,174
Printing and publishing	951
Occupancy	8,034
Equipment rental & maintenance	2,009
Building maintenance	2,466
Donated materials	57,899
Donated services	2,959
Insurance	14,915
Inspections	681
Utilities	12,762
Fundraising expense	4,150
Miscellaneous	1,202
Total expenses before depreciation	<u>\$ 163,515</u>
Depreciation	
Purchased assets	<u>\$ 10,263</u>
Total expenses	<u>\$ 471,640</u>

The accompanying notes are an integral part of this statement.

Statement of Cash Flows
For the Year Ended June 30, 2010

Cash flows from operating activities:	
Cash received from grants	\$ 452,739
Cash received from contributions	66,119
Cash received from fundraiser	14,442
Cash received from investing	670
Cash payments for program activities	(157,324)
Cash payments to employees for services	(306,419)
Net cash provided by operating activities	<u>\$ 70,227</u>
Cash flows from capital and related financing activities:	
Purchase of fixed assets	\$ (8,000)
Net cash used by capital and related financing activities	<u>\$ (8,000)</u>
Net increase (decrease) in cash and cash investments	\$ 62,227
Cash and Cash equivalents, July 1	112,753
Cash and Cash equivalents, June 30	<u>\$ 174,980</u>
	(Continued)

The accompanying notes are an integral part of this statement.

Statement of Cash Flows
For the Year Ended June 30, 2010

Reconciliation of net income from operations
to net cash provided by operating activities:

Net income from operations	\$	45,567
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	\$	10,263
Change in assets and liabilities:		
Decrease in grants receivable		16,763
Decrease in prepaid insurance		3,415
Decrease in payroll taxes receivable		(679)
Increase in accounts payable		2,776
Decrease in salaries payable		(7,878)
Net cash provided by operating activities	\$	<u>70,227</u>
		(Concluded)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Beauregard Community Concerns, Inc.

Notes to the Financial Statements
For the Year Ending June 30, 2010

Introduction

Beauregard Community Concerns, Inc. is a Louisiana non-profit corporation. This corporation is organized and it shall be operated exclusively for charitable, religious, and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, including for purposes, to purchase, acquire, hold, use, manage, alienate or encumber property of any kind, necessary and proper to protect the best interest of abused women and dependent children; and the making of distributions to Organizations that qualify as exempt Organizations under section 501 (c) (3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The Board of Directors consists of twelve members that are appointed to the Board by the other members. Eleven employees staff Beauregard Community Concerns, Inc. with three clerical employees and the other eight employees handling the operations of the shelter.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader. The financial statements of Beauregard Community Concerns, Inc. have been prepared on the accrual basis; therefore certain revenues and the related assets are recognized when earned rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The corporation has no capital stock.

A. Basis of Accounting

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, which requires the organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The organization has no permanently or temporary restricted net assets. In addition, the organization is required to present a statement of cash flows.

B. Income Taxes

The organization is qualified as an exempt organization under Section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income tax. In addition, the organization has been determined by the Internal Revenue Service not to be a private foundation within Section 509 (a) of the Code.

C. Support and Revenue

All contributions and revenues received are considered to be available for unrestricted use unless specifically restricted by the donor.

D. Deposits and Investments

The Organization's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and are reported in the statement of cash flows.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Continued)

F. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Beauregard Community Concerns, Inc. maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40-50 years
Furniture and fixtures	5-10 years
Equipment	5-10 years
Vehicles	5 years

G. Long-Term Obligations

In the fund financial statements, long-term debt and other long-term obligations are reported as liabilities.

H. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of Beauregard Community Concerns, Inc., which are either unusual in nature or infrequent in occurrence.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. DONATED FACILITIES, MATERIALS AND SERVICES

Donated materials, equipment, and use of facilities (if any) are reflected as contributions or fund raising support in the accompanying statements at their estimated values at the date of receipt. Donated services (if any) are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Continued)

3. ECONOMIC DEPENDENCY

The Organization receives a substantial portion of its total support from OCS (Office of Community Services) and United Way. During the period ended June 30, 2010, Beauregard Community Concerns, Inc. received \$212,456 and \$130,000 respectively, in grant support which represents 66% of total support.

4. FUNDING

Beauregard Community Concerns, Inc. receives funds from the Louisiana Bar Foundation under the IOLTA program. The monies are used to pay salaries and related expenses for services provided by legal advocates. The funds received for the year ended June 30, 2010, amounted to \$17,895. Beauregard Community Concerns, Inc., receives funds from the State of Louisiana (OCS) Office of Community Services. The monies are used to pay salaries of Organization employees. The funds received for the year ended June 30, 2010, amounted to \$212,456. Total salary and related benefit expenses paid during the fiscal year amounted to \$297,862. The excess expenses were paid for with funding provided by other funding Organizations.

5. LOUISIANA EMERGENCY SHELTER GRANT

Beauregard Community Concerns, Inc. receives funds from a Louisiana Emergency Shelter Grant, which are received and disbursed by the Beauregard Parish Police Jury, and is included in the accompanying financial statements. This grant is provided by the United States Office of Community Services and is passed through the United States Office of Community Services. The monies are used to provide a temporary emergency shelter as a protective service for preventing or remedying neglect, abuse, or exploitation of children and adults. The funds amounted to \$40,965 for the year ended June 30, 2010.

6. CASH AND CASH EQUIVALENTS

At June 30, 2010, the Organization has cash and cash equivalents (book balances) totaling \$174,980 as follows:

Passbook savings	\$ 23,001
Interest bearing demand deposits	151,529
Petty cash	450
Total	<u>\$ 174,980</u>

At June 30, 2010, the Organization has \$183,470 in deposits (collected bank balances). These deposits are secured from risk by \$183,470 of federal deposit insurance.

7. RECEIVABLES

The following is a summary of receivables for June 30, 2010:

Class of Receivable	
Grants:	
OCS	\$ 31,175
VAWA	9,002
ESGP	4,313
Total	<u>\$ 44,490</u>

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Concluded)

8. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2010, for the Organization is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated				
Buildings	\$ 142,947	\$ 8,000	\$ -	\$ 150,947
Vehicles	16,090	-	-	16,090
Machinery and equipment	71,521	-	-	71,521
Furniture and fixtures	31,902	-	-	31,902
Total capital assets being depreciated	<u>\$ 262,460</u>	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ 270,460</u>
Less accumulated depreciation for:				
Buildings	\$ 22,040	\$ 3,907	\$ -	\$ 25,947
Vehicles	14,481	1,609	-	16,090
Machinery and equipment	64,412	2,356	-	66,768
Furniture and fixtures	22,228	2,391	-	24,619
Total accumulated depreciation	<u>\$ 123,161</u>	<u>\$ 10,263</u>	<u>\$ -</u>	<u>\$ 133,424</u>
Total capital assets being depreciated, net	<u>\$ 139,299</u>	<u>\$ (2,263)</u>	<u>\$ -</u>	<u>\$ 137,036</u>

9. ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables for the year ending June 30, 2010:

<u>Class of Payable</u>	
Accounts	\$ 7,317
Payroll taxes	1,576
Total	<u>\$ 8,893</u>

OTHER REPORTS

Schedule of Prior Year Audit Findings
For the Year Ending June 30, 2010

Audit Finding No. 2009-1

Invoice files in poor order

Finding:

Monthly invoice files were not kept in good order. Check numbers were out of sequence and some check numbers were missing. Of the sixty invoices tested seventeen were initially missing, of these thirteen were subsequently found. Of the sixty invoices tested eight had no payment approval noted on the face of the invoice.

Date of Initial Occurrence – June 30, 2009

Corrective Action Taken – Yes

Schedule of Current Year Audit Findings and Management's Response
For the Year Ending June 30, 2010

There were no current year audit findings as of June 30, 2010

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

I have audited the financial statements of Beauregard Community Concerns, Inc., (a nonprofit Organization), as of and for the year ended June 30, 2010 and have issued my report thereon dated October 1, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Beauregard Community Concern's Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Beauregard Community Concern's Inc.'s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Beauregard Community Concern's Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned function, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Community Concerns, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, Beauregard Community Concerns, Inc.'s management, others within the Organization and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties, although under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

John L. Windham, CPA

DeRidder, Louisiana
October 1, 2010